BULI RAMAIAH) : (a) Sir Exports during 1996-97 are estimated at US $ 33106 million representing a growth in dollar terms of 4.12% over the exports valued at US $ 31797 million during the corresponding period of last year. India's exports during April-May, 1997 are estimated at US $ 5401.41 million which is 1.98% lower than the level of corresponding period last year. There is a slow down but the growth is sustained on a higher basis.

(b) A slow down in exports during 1996-97 is to be viewed in the context of a substantial slow down in world trade at 4% growth during 1996 as compared to 19% growth in 1995, low/ negative import growth in India's major trading partners, a paradigm shift in demand for soft goods exported by India, sector-specific issues affecting gem & jewellery, leather sector etc. and infrastructural constraints. During April, 1997 the transporaters strike seems to have affected movement of export shimpment and the consequent export growth.

(c) Yes, Sir.

(d) The problems faced by exporters include domestic and international factors such as change in pattern of demand for India's export products, general slow-down in world export growth and decline in imports growth of some trading partners, non-tariff barriers etc.; sectoral problems are also faced by exporters on such as quantitiative ceilings on export of commodities, high transaction costs and infrastructural inadequacies.

(e) The restoration of 80 HHC benefits in terms of income tax exemption of export profits is expected to strengthen the incentives and competitiveness of exports. The simplification, transparancy and automaticity introduced in the new Exim Policy provides a hassle-free trading environment in which the exporters can concentrate on manufacturing & marketing of their products. The setting up of the Export Promotion Board would help resolving inter-Ministerial issues and give a national priority thrust to export efforts. Export promotion is a continuous process & necessary a steps are continuously being taken by the Government to improve export growth in consultation with trade and industry.

Diversification of MMTC's projects in Orissa

671. SHRI RAHASBIHARI BARIK: Will the Minister of COMMERCE be pleased to state:

(a) whether MMTC has now diversified its activities;

(b) if so, the new area taken up by MMTC in Orissa;

(c) whether some steel projects are proposed to be set up by MMTC in Orissa;

(d) if so, the areas identified for the purpose; and

(e) the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULI RAMAIAH): (a) to (e) Yes, Sir. MMTC propose to invest in the equity participation for setting up an Integrated Iron & Steel Plant *i.e.* Neelachal Ispat Nigam Limited (NINL) at Kalinganagar, Jaipur Dist., Orissa for production of 1.1 million tonnes steel wire rods, steel billets and pig iron per annum with the other promotoers, *i.e.* Govt, of Orissa, MECON and with some foreign investors. The estmiated project cost is Rs. 1510/crores.

MMTC also proposes to take up an equity for setting up a plant for manufacture of Blast Furnance (BF) grade metallurgical coke with an installed capacity of 8.82 lakh tonnes per annum at Kalinganagar, Dist. Jaipur, Orissa in the same complex as NINL. The Project cost is estimated at Rs. 480/-crores.

Setting up of a committee to restructure the MMTC and STC

672. SHRI JAYANT KUMAR MALHOUTRA:
SHRI GYAN RANJAN:

Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that Government have set up Committee to restructure the operations of MMTC and State Trading Corporation (STC) as part of efforts to eventually merge the two public sector trading houses;